



**Texas Department of Insurance, Division of Workers' Compensation**  
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

## MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

### PART I: GENERAL INFORMATION

**Type of Requestor:** (X) Health Care Provider ( ) Injured Employee ( ) Insurance Carrier

Requestor's Name and Address:  
RGOI Ambulatory Surgery Center LTD  
5520 N. "C" Street  
McAllen TX 78504

MDR Tracking No.: M4-04-1830-01

Claim No.:

Injured Employee's Name:

Respondent's Name and Address:  
Pharr San Juan ISD  
C/o Parker & Associates  
Box 01

Date of Injury:

Employer's Name: Pharr San Juan ISD

Insurance Carrier's No.: W176002082262

### PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

The payment by the carrier is inadequate. RGOI is entitled to additional payment so the reimbursement is both fair and reasonable.

- Principle Documentation:
1. TWCC-60
  2. Operative Report
  3. RGOI Statistical Analysis & Graphs pertaining to the surgical procedure
  4. TASB/Maksin Letters
  5. JBJS Outcome Study
  6. RGOI Outcome Study
  7. EOB
  8. UB-92

### PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

RGOI Ambulatory Surgery Center was paid the amount of \$2,236, the equivalent of a two-day surgical inpatient stay under the Acute Care Inpatient Hospital Fee Guidelines, plus an additional amount for the implants. If this surgery had been performed at an inpatient hospital, the hospital would be entitled to a reimbursement of \$1,118.00 under the Inpatient Hospital Fee Guidelines. In this particular instance, the carrier's reimbursement is fair and reasonable and has ensured that similar procedures provided in similar circumstances receive similar reimbursement. Additionally, the reimbursement achieves medical cost control, a primary concern of Section 413.011 of the Texas Workers' Compensation Statute.

- Principle Documentation:
1. TWCC-60 response
  2. Position Summary

### PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
10/25/02	Ambulatory Surgical Care	1	\$0.00

### PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

1. This dispute relates to services provided in an Ambulatory Surgical Center (ASC) that are not covered under a fee guideline for this date of service. Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Commission Rule 134.1. This case involves a factual dispute about what is a fair and reasonable reimbursement for the services provided.

After reviewing the documentation provided by both parties, it appears that neither the requestor nor the respondent provided convincing documentation that sufficiently discusses, demonstrates, and justifies a fair and reasonable reimbursement (Rule 133.307). The failure to provide persuasive information that supports the proposed amounts makes rendering a decision difficult. However, after reviewing the services, the charges, and both parties' positions, it is determined that no additional payment is due.

During the rule development process for facility guidelines, the Commission contracted with Ingenix (a professional firm specializing in actuarial and health care information services) in order to secure data and information on reimbursement ranges for ASC services. The analysis resulted in a recommended range of reimbursement for workers' compensation services provided in ASCs. In addition, the Commission received information from both ASCs and insurance carriers that was considered in order to find data related to commercial market payments for the services. The information provides a benchmark for determining a "fair and reasonable" reimbursement amount for the services in dispute.

To determine the amount due for this particular dispute, staff compared the procedures in this case to the amounts that would be within the reimbursement range recommended by the Ingenix study (from 173.9% to 226.5% of Medicare for the year 2002). Staff considered the other information submitted by the parties and the issues related to the specific procedures performed in this dispute. Based on this review, it was determined that the original reimbursement by the carrier for the services is within the Ingenix range. Implantables are reimbursed at cost plus 10%. Reimbursement cannot be recommended, as the requestor did not submit implant invoices; therefore, cost plus 10% could not be determined. The decision for no additional reimbursement was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the decision and discussed the facts of the individual case.

Based on the facts of this situation, the parties' positions, the Ingenix range for applicable procedures, and the consensus of other experienced staff members in Medical Review, we find that no additional reimbursement is due for these services.

#### **PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION**

28 Texas Administrative Code Sec. 134.1  
28 Texas Administrative Code Sec. 133.307

#### **PART VII: DIVISION DECISION AND ORDER**

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Findings & Decision by:

Marguerite Foster

October 7, 2005

Authorized Signature

Typed Name

Date of Decision

#### **PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW**

Appeals of medical dispute resolution decisions and orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**